

Technology Advisory Committee

Special Meeting Minutes

June 21, 2007

The Technology Advisory Committee met on June 21, 2007 in City Hall, Council Chambers.

I. Call to Order

II. Roll Call

<input checked="" type="checkbox"/> Chris Price – Chair	<input checked="" type="checkbox"/> Mark Farr	<input checked="" type="checkbox"/> Oakel Hardy
<input type="checkbox"/> Mike Jamerson	<input checked="" type="checkbox"/> Mark McHolland	<input checked="" type="checkbox"/> Georgia Miller
<input checked="" type="checkbox"/> Steve Baker	<input checked="" type="checkbox"/> Jim Hartsook	

Mark McHolland and Oakel Hardy attended by telephone.

Invited Guests:

Brent Engle - InfoComm

Other Attendees:

Stan Gamso, Counsel
Tom Heller

III. Issues

Purpose of Meeting:

Purpose of the special meeting, as announced by the chairman, was to apply the criteria as set forth in the RFP to the responders to the fiber optic RFP and to determine whether the Committee could enter into negotiations with one or more responders.

Update From Last Meeting:

Concluding the last meeting held June 14, 2007, a question arose as to what extent the Committee could engage in discussions with any responder that complied with the criteria of the RFP and the assessment as set forth and conducted by this Committee. At the conclusion of last meeting, counsel for the Committee was directed to schedule a meeting with the City attorney, TAC chairman, and Oakel to discuss that very question and the next steps with regard to the RFP process.

The meeting was conducted, and a letter was forwarded to the State Board of Accounts for consideration. The response received from the State Board of Accounts was that the Committee could engage in discussions with any successful remaining responders so long as each is accorded fair and equitable treatment with respect to discussions and proposals. In addition, they directed that the statutory provisions of the RFP process should be documented as having been in compliance.

Evaluation Of The Responses To The Criteria

Brent Ingle presented an evaluation sheet entitled, BID Compliance Evaluation, which listed the various responders and their compliance or noncompliance with the major criteria as set forth in the RFP. (That compliance evaluation sheet is attached to these minutes and incorporated as part of the record)

Brent then went through a discussion with respect to each responder.

AT&T:

AT&T's solution was noncompliant and it did not meet the criteria established in the RFP as seen by the matrix. They did not recommend utilization of the City's conduit. They did not offer dark fiber or lit and manage service. They did not address ongoing maintenance of the City's conduit and did not offer compensation for the City of Columbus. AT&T did not offer any matters with respect to capital investment or minimum capital investment in the City of Columbus. They did not address the identified near-term business needs nor was State Board of Accounts Form 96 submitted.

AT&T's response is considered to be non-responsive to the RFP.

IQuest:

IQuest's first response to the RFP set forth that it would impose on the City the requirement to provide capital expenditure for the installation of the fiber in the amount of \$3.6M. Their subsequent and amended response to the RFP called into question the evaluators' assessment of what was being offered. For example, in one part of their amended response they discussed the issue of compensation, and in another area of their amended response they discussed no compensation to the community.

Brent suggested that IQuest's amended response appeared contradictory and poorly organized compared to their first response. It was also unclear whether the City would still be required to pay the capital investment cost of installing the fiber optics. Mark Farr noted that in reviewing one of the instruments from IQuest, it appeared that the plan called for IQuest to engage a third party to handle the financing of the installation of the fiber for the City. Mark noted this was on page 1 of the second submission that IQuest provided to the Committee.

As a result of the comments made by Mr. Farr with respect to the financing, it is

obvious from their proposal that the City will be required to provide a substantial capital investment in this process.

Brent also noted that IQuest did not submit State Board of Accounts Form 96 as required by the RFP.

Iquest's response should be deemed non-responsive in that they do not meet the criteria of least potential capital investment by the City and no Form 96 was provided.

DynamicCity:

DynamicCity submitted two responses to the RFP. The first tracked the RFP but required a significant capital investment on the part of the City in the amount of \$3.6M which was contrary to the criteria set forth in the RFP, specifically page 6, whereby the City would incur no cost with respect to the installation of the fiber.

In addition, DynamicCity also submitted an alternate response which called for the City to engage them to conduct appropriate studies and evaluations as to the market. This is not responsive to the RFP as it did not address the issues of the RFP but merely became an alternate proposal for further study.

The DynamicCity response should be deemed non-responsive as it does not provide for the least potential capital investment by the City of Columbus.

Indiana Fiber Works:

IFW met the criteria as set forth in the RFP.

Smithville Telecom:

Smithville met the criteria as set forth in the RFP.

Action:

A motion was made by Mark Farr and seconded by Georgia Miller that the AT&T proposal be rejected as it was noncompliant with the provisions of the RFP for the previously stated reasons. There was no discussion on this motion, and upon call for a vote, the motion passed unanimously.

A motion was made by Oakel that the IQuest response be rejected as non-responsive for the following reasons: One, the proposal does not include State Board of Accounts Form 96; two, the original proposal called for a capital expenditure on the part of the City for the installation of the fiber which is contrary to the least potential capital investment provision as set forth in the RFP; and three, the amendment as submitted by IQuest appeared to lack adequate clarity for the Committee to properly evaluate the

response and to determine the true extent of their proposal. In addition, it is not clear from the original proposal, and that of the amendment, as to what extent the City of Columbus would receive compensation or potential compensation as a result of IQuest's utilization of the City's conduit. Steve Baker seconded the motion. There was no discussion, and the motion passed unanimously.

A motion was made by Oakel to reject the DynamicCity response as being non-responsive for the reason that the RFP proposes a significant capital expenditure for the City of Columbus. The criteria called for the least potential capital investment by the City. Mark McHolland seconded the motion, and there was no discussion. The motion was carried unanimously.

A Motion was made by Georgia Miller and seconded by Steve Baker that the responses by Indiana Fiber Works and Smithville Telecom did meet the requirements of the RFP but that these responses utilize a different methodology wherein compensation would be submitted to the City for the use of the conduit. As such, the Committee should move to negotiations with both parties for the purpose of obtaining the best financial and business benefits for the City of Columbus. There was discussion with respect to this motion, and the Committee members agreed that the methodologies used by both responders offered two different compensation models to the City that made it difficult to determine the best potential responder to the RFP. Concluding discussion, the motion passed unanimously.

A Motion was made by Mark Farr and seconded by Georgia Miller that letters be prepared, subject to counsel's review, that will be directed to AT&T, DynamicCity and IQuest advising them that their responses were noncompliant to the RFP, and that they were being eliminated from further consideration for those reasons. The Motion carried unanimously.

A Motion was made by Steve Baker and seconded by Mark McHolland that the Bid Compliance Evaluation documents prepared by Mr. Engel be made part of the minutes of today's meeting. Upon vote, the motion carried unanimously.

The chairman directed that a subcommittee needs to be appointed to engage in conversations and negotiations with Indiana Fiber Works and Smithville Telecom separately. The chairman appointed himself, Mike Jamerson, Oakel Hardy, counsel for the TAC, and Brent Engle to the subcommittee. The chairman directed that the subcommittee commence its work with both successful responders as soon as possible. He further directed that the parties get together by way of a teleconference to examine their schedules to determine the best times and places in which to commence negotiations with the successful responders.

Counsel advised that once the subcommittee has conducted its evaluation with respect to further negotiations between Indiana Fiber Works and Smithville Telecom, it

will be necessary to make a recommendation to the Board Of Works of the City of Columbus, Indiana as to a formal acceptance and/or rejection of the various responders to the RFP.

IV. Adjournment

Motion was made by the chairman, seconded by Steve Baker, and upon unanimous vote, the meeting was adjourned at 12:20 p.m.

Respectfully submitted,

Stanley A. Gamsso

NON-COMPLIANT BID

x

x

x

x

x

	AT&T (Ivy Tech)	AT&T (Hospital)	IQuest Internet	DynamicCity	DynamicCity (alt)	Indiana Fiber Works	Smithville Telecom
FORM 96				✓		✓	✓
UTILIZATION OF CITY CONDUIT			✓	✓	✓	✓	✓
DARK FIBER SERVICE			✓	✓	✓	✓	✓
LIT/MANAGED FIBER SERVICE			✓	✓	✓	✓	✓
ONGOING MAINTENANCE OF CITY CONDUIT			✓	✓	✓	✓	✓
COMPENSATION FOR USAGE OF CITY CONDUIT			?	✓		✓	✓
LEAST POTENTIAL CAPITAL INVESTMENT BY THE CITY						✓	✓
CAN ADDRESS <u>ALL</u> IDENTIFIED NEAR-TERM BUSINESS NEEDS			✓	✓		✓	✓

Table 1 - RFP Compliance Matrix

✓ = Compliant ? = Compliance Unknown

Bid Analysis:

1. The AT&T proposals were not submitted with the required completed FORM 96, a requirement for submission. Additionally, the proposed AT&T solutions are non-compliant as they do not meet the solution requirement to utilize the CITY's conduit system.
2. The IQuest Internet proposal was not submitted with the required completed FORM 96, a requirement for submission. Additionally, the IQuest Internet proposal was contradictory and poorly organized making it difficult to understand the level of investment (if any) was required by the CITY as well as what potential compensation the CITY would receive from IQuest Internet's utilization of the conduit.
3. The DynamicCity proposals recommend additional capital investment by the CITY as part of their primary solution. The role of ownership of "last mile" connections (fiber or conduit) is not one the CITY wishes to assume at this time, as described on pg. 6 of the RFP. Furthermore, the DynamicCity *Alternative* proposal describes DynamicCity's offer to engage the CITY in a planning process to build from the ground up a municipal fiber utility. The CITY has charted its chosen course and is not interested in the ownership of a municipal fiber utility at this time.